

Submission Date: Feb 5, 2008

Priority: 1 of 2



Ted Stevens

United States Senator for Alaska

Please Note:

- Fill out one request form for each request
- This form (and any attachments) can be returned via:

Fax - (202) 224-2354
 Mail - The Honorable Ted Stevens
 United States Senate
 522 Hart Senate Office Bldg.
 Washington, D.C. 20510

- Requests are due by February 15, 2008.

FISCAL YEAR 2009 PROJECT REQUEST FORM

Project Name: Staffing Package for the Bethel Hospital

Project Location: Bethel, Alaska

Project Description (please attach additional pages as required):

See attached for narrative description.

Related Appropriations Bill: Unknown

Amount of federal funding requested for FY09: \$3.66 million

Total funding to complete this project: Recurring year to year

Number of years to fund this project: Recurring

Matching funds from the State of Alaska: N/A

Matching funds from local and private entities:

N/A

List legislation that authorizes this project:

Check all that apply:

- ☐ A change in the current law is necessary in order to proceed with the project. (If so, attach language and a list of laws that need to be amended)
- ☐ Bill or report language is needed. (If so, attach requested language)

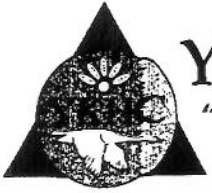
If this project was funded in prior appropriations bills (within the last five years), list each bill and the amount funded:

N/A

Amount included in the President's FY09 Budget: N/A

Amount included in the State of Alaska FY09 Budget: N/A

☐ Check this box if state funding was sought but not provided.



YUKON-KUSKOKWIM HEALTH CORPORATION

"Working Together to Achieve Excellent Health"

December 7, 2007

The Honorable Senator Ted Stevens
The Honorable Senator Lisa Murkowski
The Honorable Representative Don Young

Dear Delegation:

On behalf of the people served by the Yukon-Kuskokwim Health Corporation (YKHC), we are pleased to provide you with our Legislative Priorities that will further improve the health status of this region. As you know, YKHC provides health care under the authority of 58 federally-recognized Tribes and pursuant to a Title V Compact with the federal government under the Indian Self-Determination Act. YKHC provides health care services to over 50 villages in the Yukon-Kuskokwim Delta region of Alaska, an area the size of the State of Oregon, with virtually no roads.

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We realize that this year, due to circumstances beyond our control, there is a limit of federal funds available. In recognition of the limitation of funds available and in an effort to do our part to streamline federal programs, YKHC has chosen this year to prioritize our top legislative requests as follows:

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- 2) **Clean-up Funds for BIA Site; and**
- 3) **Bethel Hospital Capital Equipment Upgrade.**

We understand that funding all requests may not be possible, but wanted you to have the backup in case new funding sources become available. We appreciate your support for any of these projects. The following are some highlights:

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Since YKHC took over operations of the hospital in 1991, YKHC has been under funded \$3.66 million for staffing every year for a total of \$58.56 million (16 years x \$3.66 million).

2. Clean-up Funds for the BIA Site

The second priority is for assistance with a land and building transfer initially sponsored by Senator Frank Murkowski and subsequently passed by Congress in 1992 under section 13 of Public Law 102-497. Specifically, Congress mandated transfer of 27 acres of the U.S. Air Force "White Alice" Bethel site, including its buildings, to YKHC. Although Congress mandated the transfer in 1992, it has yet to take place. The following is a brief history of this matter.

The parcel is located on the outskirts of Bethel, and was to be transferred to YKHC to house healthcare workers and for other health care uses. At the time, there was a severe housing shortage, which continues to date and causes difficulties in the hiring and retention of doctors, nurses and other health care workers. The transfer saved the government millions of dollars because as Senator Frank Murkowski explained:

... the Bureau of Indian Affairs declared as excess a housing facility just outside of Bethel. This site was used by the BIA as administrative offices for their agency's operation in the Bethel area. Two years ago, they abandoned the site for offices in downtown Bethel. This site has several residential and maintenance buildings that would be suitable, with renovation, for staff housing for YKHC. My amendment would transfer the portion of the old BIA Administrative site that contains these buildings-27 acres of the original 45-and the buildings to YKHC. These buildings, remodeled into 27 apartment units, would take care of 34 percent of the critical housing need for YKHC. YKHC estimates that renovation of the old BIA buildings will save IHS approximately \$17 million by avoiding construction of new buildings.¹

Accordingly, in 1992 Congress passed legislation that required the transfer to occur *prior to September 30, 1993*. In addition, the legislation also specified that the Secretary of the Interior and the Secretary of the Air Force complete and equally share the costs of any necessary environmental response mandated by Federal and State laws to protect human health and the environment. The remainder of the 47-acre site was to be transferred to the U.S. Fish and Wildlife Service (USF&W).

Unfortunately, the Bureau of Indian Affairs (BIA) had fuel stored in several large tanks on the premises remaining from prior operations. In 1993, attempts were made to transfer the fuel off-site which resulted in a large fuel spill. The spill necessitated a fuel clean-up and led to the discovery of additional contaminants that originated from the Air Force's and BIA's prior use of the White Alice site. Rather than promptly cleaning-up the site, and despite clear statutory law, the Air Force and BIA became engaged in a dispute over funding the clean-up and whether clean-up funds were available. In 1997, after at least two meetings with Pentagon and Interior officials in Senator Frank Murkowski's office, clean-up of the site was finally initiated, and completed in 2000.

After the State of Alaska issued a "No Further Remedial Action Required" (NFRAR) letter, the BIA and Air Force began drafting the transfer documents in 2001, nine years after passage of the transfer legislation. In August 2001, a proposed copy of the transfer documents and agreements were delivered to YKHC. During the drafting of these documents YKHC was left out of the negotiations despite the legislation explicitly mandating that the conveyance be made on terms "mutually agreed on between the Secretary of the Interior and the [YKHC] Corporation."² The BIA attorney's justification is that there would be no changes YKHC would want or the law allowed.

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In late August 2001, much of the buildings on the site were destroyed by fire. During the last nine years, against YKHC's repeated requests, the site was improperly secured. As a result the buildings were used for parties and severely vandalized. For example, the buildings' exterior and interior were defaced, all the windows were broken, large generators stolen, wall studs cut-out of walls, equipment and tools stolen, and garbage dumped on the premises. Against YKHC's requests, anyone who drove out to the site had complete access to the buildings and their contents. Finally, as YKHC feared, in August 2001 vandals placed wooden pallets in the building and it was set on fire. To date, the site has not been transferred or the fire debris cleaned-up.

Under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), 42 U.S.C. §§ 9601 *et seq.*, governmental bodies like the United States government who operate and control a facility that has released pollutants, such as the BIA Site, are liable for remediation and its cleanup costs. Although the Alaska Department of Environmental Conservation (ADEC) issued a NFRAR letter, it includes a standard statement that the decision may be re-evaluated if new information shows that the cleanup is not protective. This means that if such an event happened, ADEC or the Environmental Protection Agency (EPA) could require further investigation, remediation and payment of all associated cleanup costs by either the BIA or USAF. Apparently, the BIA and USAF are in disagreement over which federal agency pays for future cleanup costs in the event that past remediation was insufficient. Complicating matters, YKHC was informed by the Interior Department that since the BIA Site was abandoned, it is now under the jurisdiction of the USF&W. Accordingly, the USF&W may be responsible for fire clean-up.

It is important that this issue is resolved and the polluter, whether it is the BIA, USAF or USF&W, pay for all past and future cleanup costs. Obviously, it is immaterial to YKHC which federal agency pays for cleanup costs. However, it is critical that:

- (1) if required by the ADEC, EPA or other entity pursuant to CERCLA, the responsible federal agency agrees to pay for all past and future investigation, remediation and cleanup costs pursuant to CERCLA; and
- (2) a clean BIA Site is transferred to YKHC in a timely manner.

For unknown reasons, the Interior Department and the Alaska Solicitors Office have repeatedly delayed and stalled efforts necessary to transfer the land to YKHC. These dilatory steps include failing to (1) timely request clean-up funding, (2) adequately secure the site to prevent the waste of a multi-million dollar building critically needed to help alleviate a medical staff shortage, (3) comply with legislative mandates, and (4) include YKHC in the transfer negotiations. The land should have been transferred years ago. Instead, the actions taken by the BIA have been grossly inadequate and directly resulted in the expenditure of significant federal funds. A timely transfer would have avoided the initial diesel fuel spill, preserved the integrity of the buildings and enabled YKHC to have housing for its doctors, nurses, and other health care workers as Congress intended. The most recent acknowledgement of the role of the USF&W by the Interior Department came as a complete surprise to the USF&W District Office in Bethel and to YKHC. The past history of this project raises concerns that the recent fire and necessary clean-up will lead to additional delays.

In Fall 2002, Senator Frank Murkowski brought all parties to the table and secured commitments from the involved agencies to obtain clean-up estimates and swiftly bring this matter to a close. After several meetings and engineering reports, it was agreed between the agencies that demolition, clean-up, design and management of the burned facility would, at least, require \$1,710,000.00 in new funds.

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YKHC respectfully requests assistance with clean-up and transfer of the BIA site to YKHC.

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Of course, if the opportunity is available to do more this legislative session, please understand that there are still unmet needs in the region. We realize the resources are not unlimited. We have identified the highest construction and operational priorities and opportunities. We hope each one will receive serious attention. Please contact Dan Winkelman, VP for Admin. & General Counsel, at 907-543-6915 if any additional back-up material is needed or if you would like to discuss any of these proposals in more detail.

Finally, for all of your efforts, we say a very heartfelt, "quyanaq-vaa" (thank you very much) for your efforts on behalf of our entire population. Your contributions to rural Alaska, including our region, have made a real difference in the lives of our people. We literally could not have made such great strides without you.

Sincerely,

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- Requests are due by February 15, 2008.**FISCAL YEAR 2009 PROJECT REQUEST FORM**Project Name: Clean-up Funds for BIA SiteProject Location: Bethel, Alaska

Project Description (please attach additional pages as required):

See attached for narrative description.Related Appropriations Bill: UnknownAmount of federal funding requested for FY09: \$1.71 millionTotal funding to complete this project: \$1.71 millionNumber of years to fund this project: 1 yearMatching funds from the State of Alaska: N/A

Matching funds from local and private entities:

N/A

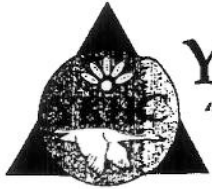
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Submission Date: Feb 4, 2008

Priority: 3 of 3



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FISCAL YEAR 2009 PROJECT REQUEST FORM

Project Name: Bethel Hospital Capital Equipment Upgrade

Project Location: Bethel, Alaska

Project Description (please attach additional pages as required):

See attached for narrative description.

Related Appropriations Bill: Unknown

Amount of federal funding requested for FY09: \$2 million

Total funding to complete this project: \$2 million

Number of years to fund this project: 1 year

Matching funds from the State of Alaska: N/A

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N/A

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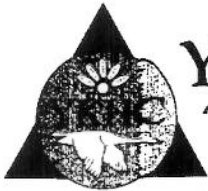
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¹ 138 CONG. REC. S16057-02.

² P.L. 102-497 §13.

In late August 2001, much of the buildings on the site were destroyed by fire. During the last nine years, against YKHC's repeated requests, the site was improperly secured. As a result the buildings were used for parties and severely vandalized. For example, the buildings' exterior and interior were defaced, all the windows were broken, large generators stolen, wall studs cut-out of walls, equipment and tools stolen, and garbage dumped on the premises. Against YKHC's requests, anyone who drove out to the site had complete access to the buildings and their contents. Finally, as YKHC feared, in August 2001 vandals placed wooden pallets in the building and it was set on fire. To date, the site has not been transferred or the fire debris cleaned-up.

Under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), 42 U.S.C. §§ 9601 *et seq.*, governmental bodies like the United States government who operate and control a facility that has released pollutants, such as the BIA Site, are liable for remediation and its cleanup costs. Although the Alaska Department of Environmental Conservation (ADEC) issued a NFRAR letter, it includes a standard statement that the decision may be re-evaluated if new information shows that the cleanup is not protective. This means that if such an event happened, ADEC or the Environmental Protection Agency (EPA) could require further investigation, remediation and payment of all associated cleanup costs by either the BIA or USAF. Apparently, the BIA and USAF are in disagreement over which federal agency pays for future cleanup costs in the event that past remediation was insufficient. Complicating matters, YKHC was informed by the Interior Department that since the BIA Site was abandoned, it is now under the jurisdiction of the USF&W. Accordingly, the USF&W may be responsible for fire clean-up.

It is important that this issue is resolved and the polluter, whether it is the BIA, USAF or USF&W, pay for all past and future cleanup costs. Obviously, it is immaterial to YKHC which federal agency pays for cleanup costs. However, it is critical that:

- (1) if required by the ADEC, EPA or other entity pursuant to CERCLA, the responsible federal agency agrees to pay for all past and future investigation, remediation and cleanup costs pursuant to CERCLA; and
- (2) a clean BIA Site is transferred to YKHC in a timely manner.

For unknown reasons, the Interior Department and the Alaska Solicitors Office have repeatedly delayed and stalled efforts necessary to transfer the land to YKHC. These dilatory steps include failing to (1) timely request clean-up funding, (2) adequately secure the site to prevent the waste of a multi-million dollar building critically needed to help alleviate a medical staff shortage, (3) comply with legislative mandates, and (4) include YKHC in the transfer negotiations. The land should have been transferred years ago. Instead, the actions taken by the BIA have been grossly inadequate and directly resulted in the expenditure of significant federal funds. A timely transfer would have avoided the initial diesel fuel spill, preserved the integrity of the buildings and enabled YKHC to have housing for its doctors, nurses, and other health care workers as Congress intended. The most recent acknowledgement of the role of the USF&W by the Interior Department came as a complete surprise to the USF&W District Office in Bethel and to YKHC. The past history of this project raises concerns that the recent fire and necessary clean-up will lead to additional delays.

In Fall 2002, Senator Frank Murkowski brought all parties to the table and secured commitments from the involved agencies to obtain clean-up estimates and swiftly bring this matter to a close. After several meetings and engineering reports, it was agreed between the agencies that demolition, clean-up, design and management of the burned facility would, at least, require \$1,710,000.00 in new funds.

Earmark funding legislation was then prepared for possible inclusion into various bills. Unfortunately, this occurred towards the end of the year, after a freeze was placed on new budget items.

YKHC respectfully requests assistance with clean-up and transfer of the BIA site to YKHC.

3. Yukon-Kuskokwim Delta Regional Hospital Capital Equipment Upgrade

The third priority is \$2 million for capital equipment upgrades. Many of our medical equipment systems are now beyond their useful lives and are in need of replacement. This equipment replacement will allow more efficient staff utilization, increased productivity, improved healthcare delivery and will reduce the numbers of patients that are now required to be transferred out of the region.

Other Funding Opportunities

Of course, if the opportunity is available to do more this legislative session, please understand that there are still unmet needs in the region. We realize the resources are not unlimited. We have identified the highest construction and operational priorities and opportunities. We hope each one will receive serious attention. Please contact Dan Winkelman, VP for Admin. & General Counsel, at 907-543-6915 if any additional back-up material is needed or if you would like to discuss any of these proposals in more detail.

Finally, for all of your efforts, we say a very heartfelt, "quyanaq-vaa" (thank you *very* much) for your efforts on behalf of our entire population. Your contributions to rural Alaska, including our region, have made a real difference in the lives of our people. We literally could not have made such great strides without you.

Sincerely,

YUKON-KUSKOKWIM HEALTH CORPORATION